

DEBT MANAGEMENT COMMISSION
WASHOE COUNTY, NEVADA

January 5, 1996

4:00 p.m.

Present:

Arthur Johnson, General Improvement District Representative, Chairman
Robert Seach, Member at Large, Vice Chairman
John Mayer, City of Sparks, Commissioner
Jim Pilzner, City of Reno, Commissioner
Richard Pugh, Member at Large, Commissioner
Grant Sims, County of Washoe, Commissioner

Judi Bailey, Washoe County Clerk
Jim Barnes, Deputy District Attorney

Absent:

Margie Broderick, Washoe County School District, Commissioner

The Board met in special session in the Chambers of the Washoe County Administrative Complex, 1001 East Ninth Street, Reno, Nevada, in full conformity with the law, with Chairman Johnson presiding. The Clerk called the roll, and the meeting commenced for the purpose of conducting the following business.

MINUTES

On motion by Commissioner Pugh, seconded by Commissioner Mayer, which motion duly carried, Chairman Johnson ordered that the minutes of the meeting of July 7, 1995, be approved.

96-01 DMC
CITY OF SPARKS SEWER BONDS
GENERAL OBLIGATIONS ISSUANCE
\$8,200,000

Terry Reynolds, City of Sparks Manager, advised that a concept was initiated to construct an effluent pipeline from the Truckee Meadows Wastewater Facility to the Don Mello Sports Complex, the Saddle Mountain Sports Complex, and the Wild Creek Golf Course making three phases of that, and this proposal contemplates all three of those. He gave a brief history of the City's pipeline project, how it came about, and advised that the cost of all three is 8.2 million dollars; that they held extensive public hearings with various Boards in order to achieve understanding; that a presentation was also made to the Department of Comprehensive Planning and Natural Resources; who made a finding of no

significant impact on their environmental statement and are prepared to issue the permits needed for the Discharge; that they have most recently received the approval of the Sparks Planning Commission and the Regional Planning Commission who have found it in conformance with the Regional Plan; and that it then went on to the Regional Governing Board for their review and they did not have to act on it since they found it to be in conformance with the Regional Plan. A formal proposal in the form of a massive document prepared by Terri L. Thomas, Finance Director of the City of Sparks, with assistance from Miller & Schroeder Financial, Inc., their financial advisor, was presented prior to this meeting to all members, and filed with the County Clerk for permanent record, was reviewed by Mr. Reynolds.

He advised that the City of Sparks, after having the financial study done, adopted increased sewer fees in 1994, which together with the revenues expected from the sale of treated effluent, which would be a conceptual agreement with the Reno-Sparks Convention and Visitors Authority (RSCVA), will provide the RSCVA up to 500 acre feet of treated effluent each year on Wild Creek Golf Course, as well as use for existing reserves for sewer funds, for which they agreed to pay approximately \$285,000 each year, sufficient to pay for the expenses incurred by the system proposed for the effluent project.

He advised, in summary, that the City of Sparks has a reasonably light debt load and its total general obligation bond debt outstanding on December 1, 1995, is \$32,065,000; that only \$14,765 of that is supported by ad valorem taxes; that the proposed 8.2 million dollar financing is to be issued as general obligation bonds supported by a pledge of sewer revenues; and that therefore no additional ad valorem tax rate is proposed. He noted that the City has no current plans for incurring additional ad valorem tax supported debt, however, they wish to retain discretion to present proposals in the future. He reported that there is no conflict between the City of Sparks proposal and that of any other levying overlapping tax rate.

Kermit McMillan, Miller & Schroeder, Financial Adviser to the City, gave a thorough overview of the City's financial picture, and advised that they are ready to proceed with

the Project. He stated that they have prepared a debt amortization of the 8.2 million dollars over a 20-year period at a 4% interest rate, which rate is possible because this project is approved for the State's revolving loan program, and it is expected that that rate may be even lower. He advised that the City Council has agreed to take another look at the fees in 1997, when the project is expected to come on Board, to insure their adequacy for meeting this debt service project. He then reviewed pertinent document material

Jennifer Stern, Swendseid & Stern, Bond Counsel for the City of Sparks, prepared the Board in their task of findings and advised that this does not have an effect on the tax rate as revenues are sufficient to support the debt service, which is a continued covenant of the City, because it is included in their contract with the bond holders. She advised that after the Commission approves this, the City will adopt a Resolution of Intent for another public hearing with a petition period, which is a 60 day period, and at that point, the City will be authorized to sell bonds to the State of Nevada to the revolving loan fund because this qualifies under the federal wastewater treatment act, and therefore this is the reason for the below market interest rate which is subsidized by state and federal grants in a revolving fund. She advised that the City has already placed sewer rates to meet this obligation, as well as their existing outstanding sewer bonds, which falls within 20 percent of their debt limit.

Responding to Commissioner Seach and his concern that there does not seem to be a firm commitment by RSCVA in the material presented, City of Sparks Mayor Bruce Breslow, Chairman, RSCVA, advised that this has been approved by the RSCVA each time it appeared, but that the last time it had not been published properly and a vote could not be taken, but they did vote to approve this prior to being aware that it was improperly noticed.

Commissioner Pilzner stated that since the RSCVA is in the golf business, he understands their need for the re-use of the effluent for the greens, but questioned whether under this agreement, in the event the RSCVA decides not to do the golf courses and seeks someone to purchase the facilities they have, if that person will be obligated to this agreement, and if not, how it will affect the whole operation. Mayor Breslow advised

that there was a member who wondered what the RSCVA is doing in the golf business, and .it was noted that since the golf courses are the only money-making part of RSCVA, there is very little chance of that occurring; that the golf courses were replanted this year and that is why the RSCVA wishes to insure its water supplies through this project; and that also there is a proposal to add a third golf course. He advised that he cannot address future actions of a different Board, in deciding whether or not to retaining the golf course operation, but the current Board is committed to golf.

Shaun Carey, City of Sparks Public Works Director, reviewed the project and advised that 3,300 acre feet of water will meet the entire effluent needs. In response to Commis-sioner Pilzner's inquiry as to the cost per acre feet of this water, it was reported to be \$285,000, but in negotiations, the amount being dealt with is \$300,000, and if that were lost and the contract dissolved, there would still be enough coverage to go forward with the project; and that the agreement being negotiated with RSCVA attorneys contains an assignment clause in the event a private entity were to take over the project, meaning Wild Creek Golf Course, wherein the City of Sparks could supply their water, and that flexibility exists. Ron Wrest, Golf Director for the RSCVA, advised that when the pos-sibility of someone being interested in selling the golf course or leasing it to someone came about, this was checked into, and because of the bond covenants, the RSCVA can-not sell or lease the golf courses to another entity other than the County for any reason until the bonds are paid up, which is approximately 25 years away.

In response to the inquiry concerning cost per acre foot, Mr. Carey stated that this project involves the construction of an effluent facility which is using the treatment process to deliver water for its second use in this community and should not be compared to the price per acre foot of ditch water on the open market as that water is delivered without going through the treatment process or the distribution system. He added that the Sparks system envisions the delivery with its ultimate in excess of 3,300 acre feet of water meeting the entire effluent needs in those locations that are within the City of Sparks and that is priced at approximately \$3,000 per acre foot when the system is fully imple-

mented. He advised that on the open market, the price per acre foot would depend on the type of water, i.e., water off the Truckee River, would be approximately \$2,200, and it is possible to obtain water rights for water quality purposes, however in other portions of the river system, it would range from \$600 to \$1,000, so there is a range depending on the use. He added that Orr Ditch water rights are simply being transferred to serve a water quality benefit in the Truckee Meadows, so in using water, which we have as a property right between Reno and Sparks, so that the City of Sparks may use the water in the Orr Ditch for a second use to achieve a water quality purpose to assure the operation of the treatment plant at its lowest possible cost, which is the investment that is being proposed.

A discussion took place concerning the effect this may have on the Regional Water Planning effort and Commissioner Pilzner inquired if this had been discussed with Washoe County in regard to compatibility with their water management plans. Mr. Reynolds advised that taken into consideration initially was a workable project with the County to make it a regional project, rather than just for the City of Sparks, and it has been developed so that it may be part of a regional project and it is consistent with those plans. He pointed out that this type of interaction with the County can be accommodated. He stated that their consultants are investigating a proposal wherein they would supply water to other facilities within the Truckee Meadows, specifically, Rancho San Rafael, and therefore this is consistent with water concerns in the Truckee Meadows. He then reviewed the positive aspects allowing for verification of conformance with the regional plan.

It was stated by Mayor Breslow that one of the reasons of the high cost is that the pipe-line will be oversized, so if the County determines that it wants to use the effluent from the treatment center to bring that to Spanish Springs, they will have the capacity to do that. He continued that if the Study which is under way shows that the County should build a treatment plant in Spanish Springs, it can as well be delivered in that direction. He stated that the City of Sparks has always tried to cooperate and elaborated on this, summarizing realization that Sparks is part of the entire ecosystem here and will put forth

every effort to continue that when the County study is complete.

Commissioner Pilzner remarked on the Honey Lake project and its bad effect on many, and because of that, he would like assurance that there is a commitment to work with all entities to address their concerns. Mr. Reynolds expressed their desire to do whatever they can, if needed, to accommodate a more regional perspective, advising that the project has been developed to be able to handle that. He explained that Mr. Carey presented a dollar figure to this Board based on the hard construction costs of developing a pipeline in delivery of this project exclusive of the beneficiary cost of the water that would be stored that has to be purchased for water quality concerns in the summertime, when low flows in the river present possibility of violating nitrate standards within the river, and this water would be released to keep constant flow. He stated that therefore this proposal entails only the hard cost of putting the system in for the application of the water rights, and does not include the savings that will be garnered by having this assistance in meeting water quality standards at the treatment plant.

Commissioner Sims addressed the issue of paying the debt service, inquiring if the funds paying the operation and maintenance will come from the sale of this effluent water to users. Kermit McMillan, Miller & Schroeder, stated that operation and maintenance were included in the study by Financial Consulting Solutions Group as contained in the Report, and in that synopsis, the cost is covered under the current rates.

Mr. Reynolds further addressed this advising that if terms are not reached with RSCVA, which is doubtful since there has been a meeting of the minds in terms of contract, that phase of the project to deliver water to them would not be constructed and then reiterated concerning the 60-day comment period, during which time negotiations of the contract would have been finalized; and that there are enough revenues generated by the existing sewer fees to be able to supply revenues for debt service as well as operation that is contemplated in here.

Commissioner Sims requested a response from Mr. Reynolds concerning the provision of this treated effluent to potential users by the spring of 1997 and suggested a six-month

delay to see what impact the facility plan study findings would have on the ability to meet that completion date. Mr. Reynolds advised that the more important aspect is that during the process, it has been contemplated that since all three entities have been actively participating in the facility planning process and this is being worked into and is consistent with that process, that it would be a mistake to keep putting this off, and that the main consideration should be the financial feasibility of this, which has been demonstrated.

Commissioner Sims then inquired regarding the relationship between the effluent treatment and the Spanish Springs Treatment Plant. Mr. Reynolds stated the need for the Treatment Plant and advised that if Phase IV, which would connect into Shadow Mountain and go north into the Spanish Springs Valley, is constructed, it would have to be determined if the treatment plant proposed by the County would have an effluent component, as it may be more cost effective to deliver effluent out of that plant than from the 4th phase of the project, noting that Phase IV is not part of the project now, and whichever ever one will be more cost effective will be selected. Mr. Carey responded to Commissioner Sims question advising that the per acre foot cost did involve all four phases and that if there were only three, it would be \$7,800 per acre foot. Mr. Carey said that it would not be correct to state today that Phases I through III will not be followed by Phase IV because the sphere of influence for the City of Sparks, which lies south of LaPosada, is being served by gravity interceptor today to the Truckee Meadows plant; that the City of Sparks within its service area has made a commitment to serve that area of our community with a separate plan; that they have done a plan which identifies those areas within their sphere of influence that are locations which would benefit from the applications of effluent including a Park, the Regional Sport Facility, and approximately 48 holes of golf, which facilities are a part of the planning done in 1993 to insure this facility is sized properly in order to achieve those goals; that there is a fee in place on that development in Spanish Springs designed to additionally provide the funding for the construction; and therefore the cost for a sewer tap in the Spanish Springs Valley includes the cost for service from the Truckee Meadows Treatment Plant, and for service to the Interceptor

that the City of Sparks constructed; and that further, paying for the development of the effluent system. He added that should as a region, it be determined that the wish is to serve portions of the Spanish Springs Valley via satellite plant, if there is a service area that can be found, that decision makes sense; and to be very clear, it does not place the final burden on those three phases at \$7,800, as the capacity is created to serve regional facilities and achieve that \$3,000 per acre foot--that's what this is built upon, and Sparks, as always, a prudent decremental approach to achieving the types of capacity and water quality benefits needed to insure that the rate structure is cost competitive and is meeting their needs. He confirmed that this proposal does allow for further expansion to the west and he did elaborate on this showing that they included Reno and Washoe County in every step of the way in their plans. He noted that the last study that was prepared by Washoe County did say that needed was between 15,000 and 20,000 acre feet of effluent in order to meet water quality demands supply in the future and that this is part of that system

Mr. Carey then responded to other questions of the Commission advising that this project has a real water quality benefit today, and if the DMC defers this, more capital construction will be built and that is expensive, damage could happen to the golf course if the effluent is not provided, and this system will provide the best possible process, given our meteorological conditions. He reiterated previous statements made concerning the cost per acre feet for the benefit of the Commission advising that the cost is for complete buildout and not for just the three phases.

Mayor Breslow stated that the pipes are oversized to meet the requirements of the City of Reno and Washoe County as indicated in the Regional Governing Board and the Water Board. Mr. Reynolds stated that the project as it is now, with the oversizing of the pipes to be able to supply future needs is still financially well within the existing sewer revenues that are collected today that were passed in 1994, noting that the City of Sparks has the lowest sewer operating rate in the Valley, and in contemplating approval of the agreement with RSCVA and additional users in the future, there is still sufficient revenue

capacity through the existing revenues to be able to support the project, and this is an important thing to realize; and that he believes they have been responsive to the public needs in keeping this a cost-effective project.

On Chairman Johnson's call for public comment, there was no response.

Commissioner Sims advised that he wants to go on record, although he is ready to make a motion of approval, that he believes a delay of five to six months would be prudent to assure that this project is not in conflict with the Facilities Plan that is not even finished yet but will be in five to six months, and realizing that the full benefits of effluent and to assure they are done properly, he thinks a delay would provide the opportunity to use the findings of the study. Commissioner Pilzner stated that he echoes these comments and hopes that whatever can be done to work with the study in the facilities planning effort is put into effect, as that is imperative, realizing that best laid plans sometimes do not work, and approving this kind of number would be devastating if this is not carefully formed.

Based on findings having been met, Commissioner Sims moved, seconded by Commissioner Seach, that the following Resolution be adopted. Upon roll call vote, the motion carried with the voting as follows:

Grant Sims	YES	
Richard Pugh		YES
John Mayer	YES	
Jim Pilzner	YES	
Margie Broderick	ABSENT	
Robert Seach		YES
Chairman Johnson	YES	

The following Resolution was then adopted:

A RESOLUTION CONCERNING THE SUBMISSION TO THE WASHOE COUNTY DEBT MANAGEMENT COMMISSION OF A PROPOSAL TO ISSUE GENERAL OBLIGATIONS; CONCERNING ACTION TAKEN THEREON BY THE COMMISSION; AND APPROVING CERTAIN DETAILS IN CONNECTION THEREWITH.

WHEREAS, pursuant to Subsections 350.001 through 350.006, Nevada Revised Statutes ("NRS"), the City Council (the "Council") of Sparks, Nevada (the "City"), notified the secretary of the Debt Management Commission of Washoe County (the "Secretary" and the "Commission," respectively) of the City's proposal to issue general

obligations and submitted a statement of the City's proposal in sufficient number of copies for each member of the Commission; and

WHEREAS, the Council anticipates making a determination that the pledged revenues will at least equal the amount required in each year for the payment of interest on and principal of such general obligation sewer bonds; and

WHEREAS, the Council proposes to incur such general obligations without an election unless a petition, signed by the requisite number of registered voters of the City, who together with any corporate petitioners represent the requisite assessed value of the taxable property of the City, is presented to the Council requiring the Council, prior to incurring such general obligations, to submit to the qualified electors of the City for their approval or disapproval, the following proposal to incur such general obligations:

GENERAL OBLIGATION SEWER BONDS (ADDITIONALLY SECURED BY PLEDGED REVENUES) PROPOSAL:

Shall the City Council of the City of Sparks, Nevada, be authorized to incur a general obligation indebtedness additionally secured by pledged revenues) on behalf of the City by the issuance at one time, or from time to time, of the City's general obligation sewer bonds, in one series or more, in the aggregate principal amount of not exceeding \$8,200,000 for the purpose of acquiring, improving, equipping, operating and maintaining a City sanitary sewer project, such bonds to mature commencing not later than five (5) years from the date or respective dates of the bonds and ending not later than thirty (30) years therefrom payable from general (ad valorem) taxes (except to the extent pledged revenues and other moneys are available therefor), and to be issued and sold at, above, or below par at an effective interest rate (including any sale discount) not exceeding the statutory maximum rate, if any, as shall be determined at the time of the sale thereof, and otherwise to be issued in such manner, upon such terms and conditions, with such covenants and agreements, and with such other detail as the Council may determine, including at its option but not necessarily limited to provisions for the redemption of bonds prior to maturity without or with the payment of a premium?

(the "Proposal"); and

WHEREAS, pursuant to • NRS 350.005, the Secretary, with the approval of the Chairman of the Commission, thereupon, within ten days from the receipt of the Proposal, gave notice of a meeting to be held not more than twenty days thereafter, and provided a copy of the proposal to each member of the Commission with the notice of the

meeting; and

WHEREAS, the Commission has heard anyone desiring to be heard and has taken other evidence relevant to its approving or disapproving the proposal; and

WHEREAS, the Commission has received from the City a complete statement of current and contemplated general obligation debt, a debt management policy, a capital improvements plan (which includes the capital improvements proposed to be financed as provided in the Proposal) and a statement of the chief financial officer, in full compliance with paragraphs (a), (b), (c) and (d) of subsection 1 of NRS 350.0035; and

WHEREAS, the Commission has considered all matters in the premises.

NOW, THEREFORE, BE IT RESOLVED BY THE WASHOE COUNTY DEBT MANAGEMENT COMMISSION OF WASHOE COUNTY, NEVADA:

for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of the section, paragraph, clause, or provision shall not affect any of the remaining provisions of this resolution.

Section 1. This resolution shall be known as the "1996 City of Sparks Sewer Bonds DMC Approval Resolution."

Section 2. The Commission hereby finds that the requirements of NRS 350.0035 to 350.0051 inclusive have been met, and the Proposal for the issuance of general obligation sewer bonds in the maximum principal amount of \$8,200,000 by the City hereby is approved.

Section 3. The Commission and the officers thereof hereby are authorized and directed to take all action necessary or appropriate to effectuate the provisions of this resolution.

Section 4. All bylaws, orders, resolutions or parts thereof in conflict with this resolution are hereby repealed. This repealer shall not be construed to revive any bylaw, order, resolution, or part thereof heretofore repealed.

Section 5. If any section, paragraph, , clause, or provision of this resolution shall for any reason be held to be invalid or unenforceable, the invalidity of unenforce-

ability of the section, paragraph, clause, or provision, shall not affect any of the remaining provisions of this resolution.

Section 6. This resolution shall become effective and be in force immediately upon its adoption.

ADOPTED THIS January 5, 1996.

BOARD MEMBER COMMENTS

During Board member comments, Commissioner Pilzner strongly urged working, encouraging communication, and having governmental entities discuss needs and concerns with each other. Chairman Johnson indicated that he does not believe it is beyond the realm of this Commission to send that message out, but that this Board needs to practice this message in order to become more communicative. Commissioner Pilzner said that an agenda item to okay a letter going out to all the entities encouraging them to communicate may be wise, as he does not want to be faced with another bond issue from the school, as there are other needs in this community and that a denial of a bond issue could be avoided through communication. He advised that perhaps some kind of summit, maybe, of the entities soon would be a good thing. Commissioner Sims stated that this should be agenda item for the meeting next month to simply discuss what is currently NRS and under what circumstances joint interlocal agreements could be used for the remaining balance of that 3.64 cap rate, as he does know that the bond issue from the School as has been approved did entail discussions among the School District, Washoe County, the City of Reno, and the City of Sparks to begin discussing joint planning, so he thinks Mr. Pilzner's suggestion is good. Mayor Breslow stated that the Regional Governing Board is where the three entities come together and there has been some talk about bonds at this level.

The Clerk was then directed to put this on the Agenda for the next meeting and request the presence of Jennifer Stern, Swendseid & Stern, Bond Counsel, to provide an information stream from which to draw.

There was no response to the call for public comment

ADJOURNMENT

4:40 P.M. The meeting adjourned.

ARTHUR JOHNSON, Chairman
Debt Management Commission

ATTEST: JUDI BAILEY, County Clerk

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DEBT MANAGEMENT COMMISSION 12/13/95

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DEBT MANAGEMENT COMMISSION 01/05/96

DEBT MANAGEMENT COMMISSION
WASHOE COUNTY, NEVADA

February 16, 1996
4:00 p. m.

Present:

Arthur Johnson, General Improvement District Representative, Chairman
Robert Seach, Member at Large, Vice Chairman
Margie Broderick, Washoe County School District, Commissioner
Richard Pugh, Member at Large, Commissioner
Grant Sims, County of Washoe, Commissioner

Betty Lewis, Chief Deputy Washoe County Clerk
Jim Barnes, Deputy District Attorney

Absent.

John Magi, City of Sparks, Commissioner
Jim Pilzner, City of Reno, Commissioner

The Board met in special session in the Chambers of the Washoe County Administrative Complex, 1001 East Ninth Street, Reno, Nevada, in full conformity with the law, with Chairman Johnson presiding. The Clerk called the roll, and the meeting commenced for the purpose of conducting the following business.

MINUTES

On motion by Commissioner Broderick, seconded by Commissioner Seach, which motion duly carried, Chairman Johnson ordered that the minutes of the meeting of December 13, 1995, be deferred to the meeting of April 12, 1996.

96-2DMC LEGISLATIVE MATTERS

A discussion ensued concerning current and future legislative matters which was placed on the agenda by Chairman Johnson who reported to the Board that Assemblyman David Humke will sponsor the changes that have been expressed by this Board and that it has been sent to the Legislative Council Bureau for drafting. He stated that his plans are to contact the Bureau concerning the status of this proposal and report to the Commission at the meeting of April 12, 1996. In response to Commissioner Pugh, he advised that the bill draft addresses procedure to follow in the event there is no chairman or vice chairman as may occur after an election, and that it requests that the at-large seats be filled in opposing years in order to provide continuity on the Commission by retaining an experi-

enced member in the event an entire new Commission is seated through appointments by the entities of their representatives after an election. Commissioner Sims requested that the drafted bill be presented to this Commission prior to introduction by Assemblyman Humke. **Chairman Johnson** stated that it is his intent to have this for presentation at the April 12, 1996 meeting.

96-3DMC ELECTION - CHAIRMAN & VICE CHAIRMAN

Commissioner Sims nominated **Commissioner Seach** as Chairman. No other nominations being forthcoming, the votes were cast unanimously for the nomination. **Chairman Seach** then assumed the gavel for the following Board members as present today.

Robert Seach, Member at Large, Chairman
Richard Pugh, Member at Large, Vice Chairman
Margie Broderick, Washoe County School District, Commissioner
Arthur Johnson, General Improvement District Representative, Commissioner
Grant Sims, County of Washoe, Commissioner

Commissioner Pugh was then nominated by **Commissioner Sims** as Vice Chairman and the votes were cast unanimously for that nomination.

In response to **Commissioner Johnson's** inquiry, on motion by **Chairman Seach**, seconded by **Commissioner Broderick**, which motion duly carried, it was ordered that Commissioner Johnson be authorized to have the leadership role on behalf of this Board concerning legislative matters, as discussed in Item 96-2DMC, to the conclusion of the matter because of his familiarity and his work on this thus far.

96-4DMC GOVERNMENTAL ENTITY COMMUNICATION – TAX ISSUES
EFFECT ON CAP RATE

Commissioner Johnson advised that this was placed on the agenda in regard to **Commissioner Pilzner's** expressed desire that local governmental entities communicate their desires to each other regarding issues they want to be considered that may raise the tax rate cap of \$3.64 which the general public would vote on either in the primary election or the general election. **Chairman Seach** advised that he recalls that **Commissioner Johnson** expressed positive comments regarding the desire to exchange information among the various entities, particularly with the School Board, and inquired if this is wanted on a more continuous basis. **Commissioner Sims** noted that since the bond issue vote, he has been receiving mail from the School District in terms of agendas for the Trustees and any kind of workshops that they have held; that although he has not talked to the Chairman since then, his plan was to stimulate some joint planning between Washoe County and the School District; that Mr. Bentley, Chairman of the Board of Trustees, was very open to doing that and looking at impacts on the educational system as growth continues; that currently any of the approving bodies do not have a legal way of asking developments

what impacts there will be and how they will be mitigated; and because of the rapid growth, it would be wise to communicate as effectively as possible. He indicated his intention to request from some of the strategic planners for the County within the next month to determine areas of opportunities where the County could improve their planning if it was done in conjunction with the School District and review those ideas with Mr. Bentley, requesting that he do the same with his planners. **Commissioner Broderick** gave her assurance that this is the attitude of the entire Board, and in light of that, in regard to this proposal, she wants to be sure that the School District is included in the communication. She was assured that the School Board is indeed a part of this. **Commissioner Johnson** then gave a handout listing some proposals concerning the tax rate cap which was not received by the Clerk. This was discussed to a minor degree.

Commissioner Sims stated his understanding that it is within the purview of this Board to foster negotiations between taxing entities after the 90% watershed point of that rate is reached and then inquired of Legal Council Jim Barnes if the School District proposal could have been denied pending their sitting down with other taxing entities assuming those other taxing entities had a bond proposal ready to present and force those entities to come back with a plan of action on the use of the remaining taxing capacity. Mr. Barnes stated that as he understands the statute, he believes this Commission could have forced the issue once there is reached 90% of the cap, and that some sort of a plan could be required among the entities for a bona fide proposal, or it could be denied. **Commissioner Sims** gave an illustration of how this could be used, advising that there would have to be several requests on the table for an increase, and then this Commission could require that some compromise be reached before any are approved. What would be ideal, he advised, would be for a meeting of the minds prior to this occurring. He then suggested the possibility of Mr. Barnes drafting a letter in which there would be encouragement for negotiations and notifying them that this Commission will proceed under its statutory authority and force negotiations, giving them the choice of doing it now or having it forced on them by this Commission. **Commissioner Johnson** stated his feeling that this can even be done if this is indicated in the proposal and included as part of the Debt Management Plan, and if a problem is perceived, they can be required to negotiate. **Commissioner Broderick** questioned if this would include the case where an entity has not publicly taken action to present a bond proposal on something, as she believes that it has to go beyond planning or discussion and must be a firm voted-on proposal. She was informed that if it's a contemplated debt, then the direction can be given.

Chairman Seach pointed out that it seems like a review would be requested in stages from whichever political entity would be concerned, and this Commission would be reacting to this review by questioning procedure. He added that a request for some joining of purpose by whomever has the authority to direct impacted parties to do so should be employed by that authority. Upon being told that the bond counsel could determine that, he inquired if a special meeting would need to be held to do this on something that is in its formative stages, and Commissioner Sims stated that a bond proposal cannot be acted on prematurely by this Commission. **Chairman Seach** noted that he understands NRS authority, but he wonders who the action agent is since there is no staff employed by the DMC, but there must be someone who could inform an entity that perhaps more work is

needed before the proposal can be presented. Mr. Barnes stated that he would agree that perhaps bond counsel would be the facilitator and would advise this Board when a proposal is ready to be acted on by this Commission.

Jerry McKnight, Chief of Budget, Washoe County, advised that in both the previous proposals that came before this Commission, it was Howarth Montague & Associates who included in the proposals calculations based on the contemplated debt to show the impacts and in both cases it showed that even including the contemplated debt, the County would still be under the \$3.64 cap. He stated that even though the cap rate is not exceeded, there remains a concern of what will happen over the course of the next several years, since contemplated debt is just one side of those issues as there are other considerations. He advised that under direction of this Board, there did occur a meeting among the financial advisors from each of the entities where impacts were discussed, and it did result in a better feeling where everyone was at the planning stage. He advised that, in regard to Mr. Seach's question as to who is the activator, the financial advisors to each entity and the financial staff of each entity would have to be involved in discussing these issues, and that was one of the benefits derived from the School Bond issue, at basically the direction from this Commission, which forced everybody to get together to discuss. He noted that there had been discussions before, but they were individual discussions within each group, and everyone together within one room provided the opportunity to bring everyone together to discuss their proposals. He stated that the allowed tax rates were just received from the Department of Taxation, and based on the last couple of proposals, the increases of the entities here is very minor, and actually, one of the entities allowed tax rate, actually went down, and the other two, one was the same and the other went up about a penny and one-half, therefore, even with the approved proposals, we are not at the cap, and no one will be in that situation this year, and so that provides a little more time so that we can sit down and hopefully continue those discussions about what will take place over the course of the next six months. He stated that this Commission's involvement can be very helpful as far as what information the voters are going to need when they look at the next round of bond issues and stated that the County is discussing issues for the November general election, but they are still in the contemplation stage, although they must be considered in the process to afford awareness to all concerning what the impacts could be. He stated the positive aspect of knowing that nothing has gone over the edge as far as the current tax rate, and everyone is still within the range that they ought to be.

Chairman Seach stated that there is still lacking some sort of mechanism to expose all entities to an impending bond issue with full background detail provided, and he then noted that this was forced on the School Bond issue by this Commission's first denial. **Commissioner Sims** advised that he does not know what some of the various entities needs are, and that it is important that this Commission go on record as being concerned about that; that bond issues must not be made in a vacuum, which to some extent the School Bond was the case, and perhaps a letter discussing concerns about this and recommending the commencement of joint discussions between the taxing entities as soon as possible should be transmitted, and the fact that this Commission can decide on who

will receive approval if several entities come in at once with proposals should be strongly stated.

Chairman Seach asked legal counsel concerning the possibility of advising entities that one of the criteria this Commission will use in approving a bond proposal will be if it has been made known to the other governmental entities that are affected by the tax cap. Mr. Barnes stated that that certainly can be used as part of the criteria of this Commission. **Commissioner Broderick** advised that that was done somewhat on the School District Bond when Roger Means, on behalf of the School District, did make presentations prior to coming before this body, but it was not done collectively and perhaps that is where the communication fell down. Other members of the Board agreed that collectively is what is needed. Mr. Barnes clarified that he does not believe there is authority within this Commission to impose that on people, but it can certainly be recommended. **Commissioner Sims** stated that certainly this Board cannot make a decision prior to hearing the proposed bond issue, but a communique could be drafted advising that in light of the \$3.64 cap on the tax rate being approached, it would be prudent for the entities to plan their needs in a joint manner so that any bond issue is done in concert with all the other entities, and he cited an example using the School District proposal, stating that if the entities had worked out an arrangement where other needs would also be addressed, this would have been approved in the first place. **Chairman Seach** suggested that a letter be prepared which could, in effect, be a declaration of intent and concern, regarding the ramifications of bond issues coming before this body which have not been properly disclosed to all interested parties and couched in such language where it would not exceed our legislative authority, which would then be transmitted to all entities concerned. **Commissioner Broderick** indicated that she sees this as asking for cooperation, because in her role as a school board trustee, she has the legal right and responsibility to determine and vote upon what the School District wishes to go to the voters for in bonding, and, therefore, since that is her obligation in her job as a trustee, she does not see the reason for asking other entities, in a sense, to approve what is not their legal right to do, and if this is only to sit down and try to work together, she has no problem with that, but she feels that everyone within their own entity has a perfect legal right to craft what their own particular needs are. **Chairman Seach** stated that the word approve is not applicable in what he is suggesting, but rather involves formative discussion and full disclosure, and approval occurs only when it is before this body. **Commissioner Johnson** advised that what is involved is to reach some agreement as to what is of the greater need. **Chairman Seach** stated that the implications and ramifications of disclosure should be touched upon as part of this communication; that it is his understanding that in disclosure the ability to move forward is not impaired. Mr. Barnes stated that he will work on this and bring it back to the Board for action. **Commissioner Broderick** wondered if this was the intent of **Commissioner Pilzner** and she was advised that this is what was understood although this may include some transmogrification to his original intent.

Jeanne Johnson, in public comment, stated that in regard to this item, she recalls that Jennifer Stern in discussion of the bond issue that came before this Commission, indicates that one thing that this Commission can't do in their approval or denial is to attach

conditions to the bond approval, and by asking for discussion of a proposal among all the entities, would that constitute a condition. Mr. Barnes advised the intent here is not conditional but rather an encouragement for a cooperative effort.

PUBLIC COMMENT

There was no response to the call for public comment.

MEMBER COMMENTS

There was some discussion on whether or not the legislature will sometime in the future raise the amount of the cap rate and **Commissioner Johnson** stated that he believes there is some desire to pull taxing authorities out of the stream leaving openings for larger entities to fill in the \$3.64 rather than changing the number. Commissioner Pugh asked if the Commission has an interest in learning about this beforehand and asked who would put together such a bill. **Commissioner Broderick** said that this is already under SCR 40 and is in subcommittee. **Commissioner Johnson** advised that he had asked Jennifer Stern to update this Commission on this issue at the April or June meeting as she will be at the subcommittee meeting and that has direct consequence to what decisions this Commission would make. He stated that he will gather all the information he can on this to provide to this Commission for their information. Jeanne Johnson advised that she has copies of all the minutes from those SCR 40 meetings that took place in Las Vegas and she will furnish the Clerk with those to be transmitted to the Board members.

96-5DMC COMMUNICATION

Received for the record from the Reno-Sparks Convention & Visitors Authority was a Capital Improvement List as an update to their Debt Management Plan.

4:40 P.M. ADJOURNMENT

The meeting of February 16, 1996, adjourned.

BOB SEACH, Chairman
Debt Management Commission

ATTEST: JUDI BAILEY, County Clerk

DEBT MANAGEMENT COMMISSION
WASHOE COUNTY, NEVADA

April 12, 1996

4:00 p.m.

Present:

Robert Seach, Member at Large, Chairman

Richard Pugh, Member at Large, Vice Chairman

Arthur Johnson, General Improvement District Representative, Commissioner

John Mayer, City of Sparks, Commissioner

Betty Lewis, Chief Deputy County Clerk

Jim Barnes, Deputy District Attorney

Absent:

Margie Broderick, Washoe County School District, Commissioner

Jim Pilzner, City of Reno, Commissioner

Grant Sims, County of Washoe, Commissioner

The Debt Management Commission of Washoe County convened in the Chambers of the Washoe County Administration Complex at 1001 East Ninth Street, Reno, Nevada. The

Clerk called the roll and the meeting was called to order by Chairman Seach.

MINUTE APPROVAL

On motion by Commissioner Johnson, seconded by Commissioner Pugh, which motion duly carried, Chairman Seach ordered that the minutes of the meetings of December 13, 1995, January 5, 1996, and February 16, 1996, be approved

96-6DMC - REPORT ON SCR 40 BY SPARKS
FINANCE DIRECTOR

Terri Thomas, Sparks Finance Director, presented a "Status Report to the Members of the Subcommittee to Study Laws Relating to the Distribution among Local Governments of Revenue from State and Local Taxes" as drafted by Hobbs, Ong, & Associates, Inc., financial consultants/advisors for SCR 40 Subcommittee on which she sits. She reviewed the Report and advised that this Committee was headed by Senator O'Donnell. She then noted that 7 of the 9 recommendations listed have been adopted; that they have been meeting with the full legislative component and legislative advisory committee; and that a lot of the research emanated from these meetings with some of the issues being from Las Vegas.

She continued that they have also discussed fuel tax issues and became concerned after March 25 when two legislators objected to the objectives; that they want to inject addi-

tions to the revenue distributing system as it is basically agreed that if there is something wrong with the revenue distributing system, it will not be resolved by a neutral resolution; and that the recommendations she has made to the Committee result from the evaluation of a number of scenarios. She continued in her review of the report and stated that she hopes that this summary has a cross purpose and that she would ask members of the Commission to present any questions about the process to her.

Commissioner Johnson inquired concerning representation of the general improvement districts on this committee. Ms. Thomas responded that this was her first appointment to the committee as a city representative; that the make-up of the committee was designed by the legislators, that there has been a great deal of participation; and that there is no committee member representing special districts and the point is well taken. She then advised that the session that Senator O'Donnell held was distinctly designed for the Committee's cogitation.

Commissioner Johnson then asked what has been considered about the sales tax revenues. Ms. Thomas stated that the committee took testimony on this close to the onset of its inception. John Swendseid, Bond Counsel, advised that what was considered is simply that these cannot be redistributed when they are pledged. In response to Commissioner Johnson's statement that the specific structure of those issues may change, Ms. Thomas stated that certainly some of those issues were raised in the decision-making process and a need to examine what revenues all the communities are receiving was accepted. She then explained some of the existent tax structure.

Commissioner Johnson then made an observation concerning growth occurring in a part of the state and his feeling that in that event revenue from that part of the state should not be sent to another, i.e., if the money is generated in Incline, the money should stay there. Ms. Thomas then pointed out that some areas are not growing and may need subsidy in continuing as a community. Commissioner Johnson stated that there is a view that some of these districts may have to dissolve and indicated that perhaps integrating some of these into the County might be workable. Ms. Thomas stated that this has been recognized but not solved as this special district issue always breaks down in discussion in the

subcommittee and the only thing the committee agrees on is the districts that supply only water and sewer.

Chairman Seach noted that sooner or later the Legislature must consider raising the cap rate, and it was noted that there has to be some rational nexus to induce consideration of this, as the way the State of Nevada looks at revenues, this is not the cutting edge and not a viable model for their consideration.

Mr. Swendseid stated that he has testified in the committee on outstanding bonds and that they cannot adopt any legislation that might have an effect on these as they have to assure that the bondholders are not hurt.

96-7DMC--LETTER DISPATCH TO ENTITIES

A discussion ensued concerning the draft of a letter prepared by Deputy District Attorney Jim Barnes, Legal Counsel, at the request of this Commission involving the necessity of communication on the cap rate issue, and it was determined that a paragraph explaining exactly what is needed in their disclosure of tax-affecting proposals needs to be added to the letter. It was then directed that this be placed on the agenda for the meeting in June of this year.

4:50 P.M. - ADJOURNMENT

The meeting of April 12, 1996, adjourned.

BOB SEACH, Chairman
Debt Management Commission

ATTEST: JUDI BAILEY, County Clerk

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APRIL 12, 1996 DMC PAGE 313

DEBT MANAGEMENT COMMISSION
WASHOE COUNTY, NEVADA

June 12, 1996

2:00 p.m.

Present:

Robert Seach, Member at Large, Chairman
Richard Pugh, Member at Large, Vice Chairman
Arthur Johnson, General Improvement District Representative, Commissioner
John Mayer, City of Sparks, Commissioner
Grant Sims, County of Washoe, Commissioner

Betty Lewis, Chief Deputy County Clerk
Jim Barnes, Deputy District Attorney

Absent:

Margie Broderick, Washoe County School District, Commissioner
Jim Pilzner, City of Reno, Commissioner

The Debt Management Commission of Washoe County convened in the Chambers of the Washoe County Administration Complex at 1001 East Ninth Street, Reno, Nevada. The Deputy Clerk called the roll and the meeting was called to order by Chairman Seach.

96-8DMC
PUBLIC SAFETY BOND PROPOSAL
WASHOE COUNTY

Jennifer Stern, Bond Counsel, reviewed Washoe County's proposal to incur general obligation indebtedness by the issuance of public safety bonds in the aggregate principal amount not to exceed \$19,000,000. She advised that this will exceed 90% of the 3.64 limit to the tax rate.

Scott Nash, Howarth & Montague, Financial Consultants, reviewed the financial information and advised that this will be used for various projects through the County. The Commission was briefed on the current problems the County is faced with in the over-population in the County Jail.

In response to Commissioner Johnson, Jerry McKnight stated that the City of Reno, the City of Sparks, and Washoe County, joined in a cooperative agreement when the jail facility was completed for its use by all entities and that this agreement has not been renegotiated. He advised that through this cooperative agreement, they help to some extent in the funding of the facility through a designated amount of contribution, and that the rest is paid out of the general fund. He advised that they are looking at a jail population

management system presently and considering alternatives to incarceration employing different kinds of programs and are looking at a managed cap on the jail population assuring that there would be no detriment to the community resulting.

David Bennett, Criminal Justice Facility Consultant, stated that the cities are different as they are under no obligation to assist; that he has mentioned the possibility of a booking fee; and that they are communicating with the Cities in jail population management. He advised that he has appeared before the Criminal Justice Committee and the Board of County Commissioners to advise them of the initiatives that are being worked on and the changes in operation efficiencies needed to maximize the managed cap.

Commissioner Pugh asked questions concerning the population growth as compared with other areas. Mr. Bennett responded that Washoe County has grown disproportionately in comparison. He stated that this bond measure is essential in preserving the integrity of Washoe County. Commissioner Mayer stated that he is very supportive of these bonds and that he believes the forfeiture funds could be used to educate persons on their destiny if they pursue a life of crime.

Commissioner Mayer moved, seconded by Commissioner Johnson, which motion duly carried, that the proposal by Washoe County to incur general obligation indebtedness be approved.

The following Resolution was then adopted:

A RESOLUTION CONCERNING THE SUBMISSION TO THE WASHOE COUNTY DEBT MANAGEMENT COMMISSION OF A PROPOSAL TO ISSUE GENERAL OBLIGATIONS; CONCERNING ACTION TAKEN THEREON BY THE COMMISSION; AND APPROVING CERTAIN DETAILS IN CONNECTION THEREWITH.

WHEREAS, pursuant to Subsections 350.001 through 350.006, Nevada Revised Statutes ("NRS"), Washoe County, Nevada (the "County"), notified the secretary of the Debt Management Commission of Washoe County (the "Secretary" and the "Commission," respectively) of the County's proposal to issue general obligations and submitted a statement of the County's proposal in sufficient number of copies for each member of the Commission; and

WHEREAS, the Board of County Commissioners of the County (the "Board") proposes (subject to the approval of the proposal to issue general obligations by the

Commission) to issue the bonds described in the following proposal:

GENERAL OBLIGATION (LIMITED TAX) PUBLIC SAFETY
BOND PROPOSAL:

Shall the Board of County Commissioners of Washoe County, Nevada be authorized to incur a general obligation indebtedness on behalf of the County by the issuance at one time, or from time to time, of the County's general obligation safety bonds, in one series or more, in the aggregate principal amount of not exceeding \$19,000,000 to defray wholly or in part the cost of acquiring, constructing, reconstructing, improving and equipping building projects, including, without limitation, public safety facilities, including communications facilities and improvements and additions at the consolidated jail facility and real property, structures, fixtures, furniture and equipment therefor and all appurtenances and incidentals necessary, useful or desirable thereto, such bonds to mature serially commencing not later than (five (5) years from the date or respective dates of the bonds and ending not later than thirty (30) years therefrom, to be payable from general (ad valorem) taxes, and to be issued and sold at, above, or below par at an effective interest rate (including any sale discount) not exceeding the statutory maximum rate, if any, as shall be determined at the time of the sale, thereof, and otherwise to be issued in such manner, upon such terms and conditions, with such covenants and agreements, and with such detail as the Board may determine, including at its option, but not necessarily limited to, provisions for the redemption of bonds prior to maturity without or with the payment of a premium?

(the "Proposal"); and

WHEREAS, pursuant to NRS 350.005, the Secretary, with the approval of the Chairman of the Commission, thereupon, within ten days from the receipt of the proposal, gave notice of a meeting to be held not more than twenty days thereafter, and provided a copy of the proposal to each member of the Commission with the notice of the meeting and mailed notice of the meeting to the chief financial officer of each municipality in Washoe County, Nevada, which has complied with subsection 1 of NRS 350.0035 within the past year; and

WHEREAS, the Commission has heard anyone desiring to be heard and has taken other evidence relevant to its approving or disapproving the Proposal; and

WHEREAS, the Commission has considered all matters in the premises.

NOW, THEREFORE, BE IT RESOLVED BY THE DEBT MANAGEMENT COMMISSION OF WASHOE COUNTY, NEVADA:

Section 1. This resolution shall be known as the "1996 Public Safety Bond DMC Approval Resolution."

Section 2. The provisions of NRS 350.0035 to 350.0051 have been met, and therefore the Proposal for the issuance of general obligation (limited tax) public safety bonds proposed by the County is approved.

Section 3. The Commission and the officers thereof hereby are authorized and directed to take all action necessary or appropriate to effectuate the provisions of this resolution.

Section 4. All bylaws, orders, resolutions or parts thereof in conflict with this resolution are hereby repealed. This repealer shall not be construed to revive any bylaw, order, resolution, or part thereof heretofore repealed.

Section 5. If any section, paragraph, clause, or provision of this resolution shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of the section, paragraph, clause, or provision, shall not affect any of the remaining provisions of this resolution.

Section 6. This resolution shall become effective and be in force immediately upon its adoption.

96-9DMC
WATER BOND RESOLUTION

John Collins, Washoe County Chief Sanitary Engineer, advised that this will convert water through Chalk Bluff through an agreement with Sierra Pacific Power Company and will provide water for the following projects: Camp WeCheMe, Double Diamond South Meadows Development, Lockheed Project. In response to Commissioner Johnson's inquiries concerning development on the Double Diamond and the County paying for water service to a development out of general fund moneys if people do not buy into the development. Mr. Collins explained the occurrences to develop if this is approved. He advised that through the agreement, the County is providing a backbone ground improvement in the area of Double Diamond being served; that his experience is that a developer builds what he needs and then dedicates it to the County giving control of the water to the County and whether or not connection fees happen, the finding has been made that this would only occur if the water sewer enterprise fund did not have enough coming in.

In response to Commissioner Sims, Mr. Nash confirmed that ad valorem taxes will not be affected by this and therefore approval by the voters is unnecessary. Mr. Collins advised that they want to build a one-half-million-gallon storage tank and charge to customers over the next 20 years to pay the County back and the better bond rating currently will save the customers money.

Commissioner Johnson stated that there is an agreement that was made with Double Diamond for the County to provide water and he sees something wrong with this. Mr.

Collins stated that this is an agreement that the County entered into as they do not want the developer drilling wells or providing any backbone infrastructure over which they would not have control, and that although they are providing the cash flow, ultimately the developer puts up funding. He noted that there are a number of projects being constructed on the Double Diamond and that never once has the developer been required to put in the infrastructure. He pointed out that this is the County financing infrastructure, that there is no tax rate impact and no tax levy required. He further stated that a public hearing before the Board of County Commissioners is required on this and it will go back before them for that purpose.

Diana Lang, Sun Valley Water & Sanitation District, stated that she would only caution that this does not become an extra burden on the home buyer and that she believes the developer should be the one to bear the financial burden.

Jeanne Johnson, resident in the South Truckee Meadows, advised that her main concern is that there are three different developers within the Double Diamond area, and further that there are a multitude of commercial properties being proposed and developed at this time and that this project will just serve the Double Diamond area.

Jerry McKnight, Budget Coordinator for Washoe County, stated that the Double Diamond component is \$800,000; that the County has spent \$1.5 million dollars on the Double Diamond property and will be constructing their infrastructure; that this is the rest mechanism; that if it is not done this way, the other sources will be within the Utility fund; that they are already serving a strip of the property we refer to as Double Diamond and are obligated to provide water to the utility operations; and that this was determined

to be in the best overall interest of the community to do the support and eventually have it returned. He advised that as long as he is Budget Coordinator for the County, he will guarantee that the money will be there in the connection fees to cover the bonds and the burden will not fall back on the taxpayers.

Chairman Seach advised that he believes this issue follows this Commission's modus operandi. Mr. Nash stated that he believes that this has been adequately addressed in terms of risk and that any further concerns will be addressed in a public setting.

After discussion, Commissioner Grant moved the approval of the Resolution in support of the \$3,000,000 bond issue with Commissioner Pugh seconding the motion. On call for the vote Commissioners Seach, Pugh, Sims, and Mayer voted "yes" and Commissioner Johnson voted "no" and the motion failed due to lack of majority vote.

Mr. McKnight explained that this will impose an extreme difficulty on Lemmon Valley, and Camp WeCheMe, as Lemmon Valley has started paying a surcharge. Commissioner Johnson then stated that in view of this, he will change his vote to yes.

The Chairman then declared the original motion null and void.

On motion by Commissioner Sims, seconded by Commissioner Mayer, which motion carried unanimously, it was ordered that the following Resolution in support of the issuance of \$3,000,000 in water bonds be adopted:

A RESOLUTION CONCERNING THE SUBMISSION TO THE WASHOE COUNTY DEBT MANAGEMENT COMMISSION OF A PROPOSAL TO ISSUE GENERAL OBLIGATIONS; CONCERNING ACTION TAKEN THEREON BY THE COMMISSION; AND APPROVING CERTAIN DETAILS IN CONNECTION THEREWITH.

WHEREAS, pursuant to Subsections 350.001 through 350.006, Nevada Revised Statutes ("NRS"), Washoe County, Nevada (the "County"), notified the secretary of the Debt Management Commission of Washoe County (the "Secretary" and the "Commission," respectively) of the County's proposal to issue general obligations and submitted a statement of the County's proposal in sufficient number of copies for each member of the Commission; and

WHEREAS, the Board of County Commissioners of the County (the "Board") proposes (subject to the approval of the proposal to issue general obligations by the Commission) to issue the bonds described in the following proposal:

GENERAL OBLIGATION WATER BOND PROPOSAL:

Shall the Board of County Commissioners of Washoe County, Nevada be authorized to incur a general obligation indebtedness on behalf of the County by the issuance at one time, or from time to time, of the County's general obligation (limited tax) water bonds, in one series or more, in the aggregate principal amount of not exceeding \$3,000,000 for the purpose of financing, wholly or in part, the acquisition, improvement and equipment of water projects, including real property, water rights, facilities and equipment for water projects as defined in NRS 244A.056, the bonds to mature serially commencing not later than (five (5) years from the date or respective dates of the bonds and ending not later than thirty (30) years therefrom, to bear interest at a rate or rates not in excess of the statutory maximum rate in effect at the time bonds are sold, to be payable from general (ad valorem) taxes (except to the extent pledged revenues and other moneys are available therefor), and to be issued and sold at par, or below or above par, and otherwise in such manner, upon such terms and conditions, and with such other detail as the Board may determine, including at its option, but not necessarily limited to, provisions for the redemption of bonds prior to maturity without or with the payment of a premium?

(the "Proposal"); and

WHEREAS, pursuant to NRS 350.005, the Secretary, with the approval of the Chairman of the Commission, thereupon, within ten days from the receipt of the Proposal, gave notice of a meeting to be held not more than twenty days thereafter, and provided a copy of the Proposal to each member of the Commission with the notice of the meeting and mailed notice of the meeting to the chief financial officer of each municipality in Washoe County, Nevada, which has complied with subsection 1 of NRS 350.0035 within the past year; and

WHEREAS, the Commission has heard anyone desiring to be heard and has taken other evidence relevant to its approving or disapproving the Proposal; and

WHEREAS, the Commission has considered all matters in the premises.

NOW, THEREFORE, BE IT RESOLVED BY THE DEBT MANAGEMENT COMMISSION OF WASHOE COUNTY, NEVADA:

Section 1. This resolution shall be known as the "1996 Water Bond DMC Approval Resolution."

Section 2. The provisions of NRS 350.0035 to 350.0051 have been met, and therefore the Proposal for the issuance of general obligation (limited tax) public safety bonds proposed by the County is approved.

Section 3. The Commission and the officers thereof hereby are authorized and directed to take all action necessary or appropriate to effectuate the provisions of this resolution.

Section 4. All bylaws, orders, resolutions or parts thereof in conflict with this resolution are hereby repealed. This repealer shall not be construed to revive any bylaw, order, resolution, or part thereof heretofore repealed.

Section 5. If any section, paragraph, clause, or provision of this resolution shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of the section, paragraph, clause, or provision, shall not affect any of the remaining provisions of this resolution.

Section 6. This resolution shall become effective and be in force immediately upon its adoption.

96-10DMC
OPEN AND CONTINUING COMMUNICATION

Chairman Seach stated that the letter as drafted by Legal Counsel Jim Barnes requires that "all entities within Washoe County which have taxing authority begin a process of open and continuing communication . . ." and that some feel that word should be changed to requests, as the question is if this Commission has the right to "require." He advised that he feels that without that word, the whole thing has no "muscle." Commissioner Johnson suggested that signature of the Chairman be authorized and the letter mailed after a favorable opinion is received from the Attorney General's office. Commissioner Sims stated that even though this Commission may not have the authority to mandate communication on items which may effect the tax structure, he believes that this Commission should not be put in a position to make a choice on whether to approve an issue concerning the jail or an issue concerning schools, and that the entities themselves should decide after meetings and deliberations. He stated that he has asked John Hester, Washoe County Director of Comprehensive Planning, to compile a regional management plan for the community at large making use of the ground work that has already taken place. Mr. Hester presented a handout to the Commission members entitled, "An Overview of In-

frastructure Needs and Funding in Washoe County," which was presented to the Interim Committee on Infrastructure Financing, dated March 28, 1994. He advised that what is needed is a similar report for all categories for needs that are existing and also for long term within all entities and the objective would be to present such information to this Commission annually. He added that this would give a big picture and could be made to fit into legislative needs. Commissioner Johnson agreed that this is a wonderful idea although he feels the letter should still be executed and submitted to the entities.

On motion by Commissioner Johnson, seconded by Commissioner Sims, which motion duly carried, it was ordered that the Attorney General's office be requested to render an opinion as to whether or not this Commission has the authority to require taxing entities to communicate in matters concerning issues which may result in an increased tax rate.

* * * * *

Under BOARD MEMBER COMMENTS, Commissioner Mayer advised that this is his last meeting as a member of the Commission as Mayor Bruce Breslow of Sparks has been appointed to this Board to begin on July 1, 1996.

4:40 P.M.

There being no PUBLIC COMMENTS, the meeting adjourned.

ROBERT SEACH, Chairman
Debt Management Commission

ATTEST: JUDI BAILEY, County Clerk

DEBT MANAGEMENT COMMISSION
WASHOE COUNTY, NEVADA

July 10, 1996

3:00 p.m.

Present:

Robert Seach, Member at Large, Chairman
Richard Pugh, Member at Large, Vice Chairman
Arthur Johnson, General Improvement District Representative, Commissioner
Bruce Breslow, City of Sparks R, Commissioner
Grant Sims, County of Washoe, Commissioner
Pierre Hascheff, City of Reno, Commissioner

Judi Bailey, County Clerk

Jim Barnes, Deputy District Attorney

Absent:

Margie Broderick, Washoe County School District, Commissioner

The Debt Management Commission of Washoe County convened in the Chambers of the Washoe County Administration Complex at 1001 East Ninth Street, Reno, Nevada. The

Clerk called the roll and the meeting was called to order by Chairman Seach.

SWEARING IN CEREMONIES

Judi Bailey, County Clerk, administered the Oath of office to Bruce Breslow, newly appointed member, representing the City of Sparks City Council, and Pierre Hascheff, alternate representative of the City of Reno City Council.

MINUTES

On motion by COMMISSIONER PUGH, seconded by COMMISSIONER JOHNSON, which motion duly carried with COMMISSIONER BRESLOW abstaining, it was ordered that the minutes of the meeting of April 12, 1996 be approved.

96-11DMC

PROPOSAL RESOLUTION - SPECIAL ELECTIVE TAX LEVY
FIRE PROTECTION IMPROVEMENT
CITY OF RENO

Board members received a financial package from Howarth and Montague, Financial Consultants, concerning this proposal. An expression of concern was made by Board members since they were not provided sufficient time to review this and some discussion

commenced on the possibility of scheduling the amount of time to receive documents prior to a meeting.

Jennifer Stern, Swendseid & Stern, Bond Counsel, gave a history of the bond proposal on the ballot at the last election advising that there were two issues: one for construction of

a fire station and the other for the operation, maintenance, and equipment. She stated that the one for construction was defeated and the other approved by the voters, but that the one approved had no basis without approval of the other one.

Marty Johnson, Howarth & Montague, Financial Consultants, conducted a detailed "walk-through" of the financial picture of the proposed bond issue and advised that the tax over ride would be in the amount of 0.0715 per \$100 of assessed valuation for a period of 30 years beginning July 1, 1997, and if passed, will be used for the purpose of improving fire protection in the City, including without limitation, acquiring and constructing fire facilities, purchasing equipment, operation and maintenance, and hiring, training, and equipping firefighters and support staff. Ms. Stern stated that after 30 years, should the debt not be dissolved, then it will be funded from revenue or the City of Reno can seek an extension.

It was noted for the record that the City has filed with the Department of Taxation and the Clerk of this Commission the following: [1] a statement of debt and retirement schedules, [2] a written statement of the debt management policy of the City, [3] the City's Capital Improvement Plan, and [4] a statement containing the name, title, mailing address, and telephone number of the chief of the financial officer of the City.

Mike Brown, Battalion Chief for the City, delineated some of the specific needs of the Fire Department and responded to questions of the Board, and a discussion ensued concerning all fire protection districts in Washoe County. In response to COMMISSIONER PUGH, the Reno Finance Director advised that there is no formal plan to promote this issue at this time but that historically a nonprofit organization has been established to work with the public information officer to start broadcasting fire needs and to educate the public on what this issue will entail..

The Board discussed to some extent the School Bond Issue which will be before the voters at the primary election on September 3, 1996, as well as any other issues which may come about and possibly be included on the ballot as a question. The Commission was reminded that if this proposal is approved, it will be before the voters at the general election on November 5, 1996.

Following discussion, on motion by COMMISSIONER BRESLOW, seconded by COMMISSIONER HASCHEFF, which motion duly carried, it was ordered that the following be adopted:

Resolution: A resolution concerning the submission to the Washoe County Debt Management Commission of a proposal to levy a special elective tax concerning action taken thereon by the Commission; and approving certain details in connection therewith.

WHEREAS, pursuant to •• 350.001 through 350.006 Nevada Revised Statutes ("NRS"), the City of Reno (the "City") in Washoe County, Nevada (the "County"), notified the secretary of the Debt Management Commission of Washoe County (the "Secretary" and the "Commission," respectively) of the City's proposal to levy a special elective tax and submitted a statement to the Commission of the City's proposal to levy a special elective tax and submitted a statement to the Commission of the City's proposal in sufficient number of copies for each member of the Commission; and

WHEREAS, the City proposes (subject to the approval of the proposal to levy a special elective tax by the Commission) to submit to the qualified electors of the City for their approval or disapproval substantially the following proposal:

Shall the City Council of the City of Reno be authorized to levy an ad valorem property tax at a rate (to be determined each year by the City Council) not to exceed 7.15 cents per \$100 of assessed valuation, for the period commencing fiscal year 1998 to and including fiscal year 2027, for the purpose of improving fire protection in the City by hiring additional fire fighting personnel and providing facilities and equipment therefor and the cost of operation and maintenance thereof? (This question is estimated to raise between \$2,428,900 and \$7,574,900 annually.) (the "Proposal"); and

WHEREAS, pursuant to NRS • 350.0005, the Secretary, with the approval of the Chairman of the Commission, thereupon, within ten days from the receipt of the Proposal, gave notice of a meeting to be held not more than twenty days thereafter, and provided a copy of the Proposal to each member of the Commission with the notice of the meeting and mailed notice of the meeting to the chief financial officer of each municipality in the County which has complied with • 1 of NRS 350.0035 within the past year; and

WHEREAS, the Commission has heard anyone desiring to be heard and has taken other evidence relevant to its approving or disapproving the Proposal; and

WHEREAS, the Commission has received from the City a statement of general obligation debt and special elective taxes, a debt management policy, a capital improvement plan (which includes the capital improvements proposed to be financed as provided in the Proposal) and a statement identifying the chief financial officer of the City, in full compliance with paragraphs (a), (b), (c), and (d) of • 1 of NRS 350.0035; and

WHEREAS, the Commission has considered all matters in the premises.

NOW, THEREFORE, BE IT RESOLVED BY THE DEBT MANAGEMENT COMMISSION OF WASHOE COUNTY, NEVADA:

Section 1. This resolution shall be known as the "1996 City of Reno DMC Approval Resolution."

Section 2. The Proposal for the levy of a special elective tax proposed by the City is approved.

Section 3. The Commission and the officers thereof hereby are authorized and directed to take all action necessary or appropriate to effectuate the provisions of this resolution.

Section 4. All bylaws, orders, resolutions, or parts thereof in conflict with this resolution are hereby repealed. This repealer shall not be construed to revive any bylaws, order, resolution or part thereof heretofore repealed.

Section 5. If any section, paragraph, clause, or provision of this resolution shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of the section, paragraph, clause, or provision shall not affect any of the remaining provisions of this resolution.

Section 6. This resolution shall become effective and be in force immediately upon its adoption.

MEMBER COMMENTS

The Board continued discussing receiving materials in a timely manner and the need to establish procedure on this. Also discussed was the previous matter concerning encouraging entities to communicate among themselves concerning issues which may affect the cap rate of 3.64
4:40 P.M.

There being no PUBLIC COMMENTS, the meeting adjourned.

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ROBERT SEACH, Chairman
Debt Management Commission

ATTEST: JUDI BAILEY, County Clerk

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JULY 10, 1996 DMC PAGE 327

DEBT MANAGEMENT COMMISSION
WASHOE COUNTY, NEVADA

July 26, 1996

4:00 p.m.

Present:

Robert Seach, Member at Large, Chairman

Richard Pugh, Member at Large, Vice Chairman

Arthur Johnson, General Improvement District Representative, Commissioner

Tony Armstrong, City of Sparks Representative, Commissioner

Grant Sims, County of Washoe, Commissioner

Betty Lewis, Chief Deputy County Clerk

Jim Barnes, Deputy District Attorney

Absent:

Margie Broderick, Washoe County School District Representative, Commissioner

Jim Pilzner, City of Reno Representative, Commissioner

The Debt Management Commission of Washoe County convened in the Chambers of the Washoe County Administration Complex at 1001 East Ninth Street, Reno, Nevada.

The

Deputy Clerk called the roll and the meeting was called to order by Chairman Seach.

OATH OF OFFICE

Betty Lewis, Chief Deputy County Clerk, administered the oath of office to Tony Arm-

strong as the alternative representative of the City of Sparks to the Debt Management

Commission.

96-12DMC

COMMUNICATION AMONG ENTITIES

COMMISSIONER SIMS noted that a decision needs to be made concerning what does or does not go on the ballot and advised that he requested the County Comprehensive

Planning Department to serve as the coordinating party in the entities jointly determining

this question. He advised that a compilation of all the different needs of the Region

would be made and then this Board could have the information needed in allowing a pro-

posal to go through, and this would take place as the cap rate of 3.64 is neared. He added

that he believes this is a step in the right direction as taxing capacity is being consumed

in a rapid manner and that this should be done continuously.

COMMISSIONER JOHNSON advised that he agrees, and that in addition the end result of any proposal needs to be spelled out. CHAIRMAN SEACH said that this might place

the Commission in a position of shepherding bond jurisdiction and that he would ques-

tion whether or not this is a good thing. COMMISSIONER SIMS said that although this

may appear as intervening in the political arena, a need to understand all the potential effects so that the right decision may be made.

COMMISSIONER ARMSTRONG commented that this Commission is highly respected by the entities as they are looked upon to put issues on the ballot.

Legal Counsel Jim Barnes stated that he had contacted the Attorney General's office and they advised that this appears to be a policy matter for this Commission. Board members gave input on the necessity of information exchange among the entities.

COMMISSIONER SIMS asked if the Board could require such information exchange. Mr. Barnes stated that it could be requested but he does not read anything in the statute which would allow such a requirement, however, a bond issue may be refused if it is felt the proposal is devoid of information.

Board members agreed on the importance of apprising entities of this position for the purpose of serving the community and all supported the communication of this to the entities as an excellent idea. Some discussion on what to include ensued.

Following discussion, on motion by COMMISSIONER SIMS, seconded by COMMISSIONER ARMSTRONG, which motion duly carried, it was ordered that the Washoe County Department of Comprehensive Planning be directed to finalize the letter for the signature of the Chairman to the entities asking that they communicate their plans to the Commission and to each other as to their proposals which might have an effect on the cap rate.
92-13DMC
ANNUAL REPORTS

Some discussion ensued concerning the failure of the Palomino Valley General Improvement District to submit its indebtedness report in a timely manner.

Pursuant to NRS 350.0035, reports containing statements of current and contemplated general obligation debt and of current and contemplated debt and special assessments and retirement schedules were submitted by the following political subdivisions and general improvement districts:

- Regional Transportation Commission
- Reno and the Reno Redevelopment Agency
- Reno-Sparks Convention Visitors Authority
- Sparks and the Sparks Redevelopment Agency
- Washoe County
- Washoe County Airport Authority
- Washoe County School District
- Grand View Terrace Water District

Gerlach General Improvement District
Incline Village General Improvement District
Lawton-Verdi General Improvement District
South Truckee Meadows General Improvement District
Sun Valley Water and Sanitation District
Verdi Television District
North Lake Tahoe Fire Protection District
Truckee Meadows Fire Protection District

Washoe County School District, Sparks, Reno, Incline Village General Improvement District, and Washoe County also submitted Debt Management Plans.

The Regional Transportation Commission submitted a Debt Management Policy Statement. Palomino Valley General Improvement District failed to submit their Indebtedness Report.

On motion by COMMISSIONER SIMS, seconded by COMMISSIONER PUGH, which motion duly carried, CHAIRMAN SEACH ordered that receipt of the annual reports and the Debt Management Plans by the DEBT MANAGEMENT COMMISSION be acknowledged and that they be placed on file with the Clerk.

92-14DMC
MEETING DATES

Following discussion, on motion by CHAIRMAN SEACH, seconded by COMMISSIONER PUGH, which motion duly carried, it was ordered that the following dates be scheduled for the next year's required quarterly meetings, to be subject to change with notice to the Board members:

October 18, 1996 January 31, 1997
February 21, 1997 April 18, 1997
July 11, 1997

96-15DMC
PUBLIC COMMENTS
MEMBERSHIP ABSENCES

Jeanne Johnson, resident of Washoe County, advised that she really appreciates this Commission, and being married to one of the members has been very enlightening; that this Commission is one of the most honest Commissions that she has worked with over the years; that one thing that is very disturbing is that at the last three or four meetings, there have been two members missing from this Commission; that with the controversy that takes place occasionally, the City of Reno and the School District representation is or has been absent; that that is very poor representation for the public and their constituency; that this really bothers her; and that she would request legal counsel to see if there

are any provisions governing this in the Nevada Revised Statutes so that there may be a reprimand or a replacement of that member.

Mr. Barnes stated that he discussed this with the Chairman before the meeting, and that the possibility of pursuing this in the Legislative package to be presented by COMMISSIONER JOHNSON was posed as a possibility, and perhaps then the appointing entity will be informed that their representative is not attending and will be asked to appoint someone who can attend the meetings.

Mrs. Johnson then asked if an in-house policy could be established by this Commission to provide that after three missed meetings which would be considered unexcused, a request be made to the appointing entity for a replacement. She stated that in her review of NRS as concerns this Commission, a policy such as that can be made.

Mr. Barnes stated that he believes there is authority to have a policy of that sort, but that at the same time the Legislative request should be made. Mrs. Johnson stated the importance of this and commented that the representatives of the City of Reno and the School District seem to attend only when it concerns those entities.

CHAIRMAN SEACH advised this would have to be a decision of the entire Board and he would ask the signatures of all members in any communication to that effect. COMMISSIONER SIMS stated that he believes the Chairman should call the members personally and encourage them to show up as this would be meaningful because of the authority involved.

96-16DMC
MEMBER COMMENTS

Alternate Member COMMISSIONER ARMSTRONG, representing the City of Sparks, stated that he has enjoyed being in attendance today and has gained knowledge of and respect for this Board's function.
4:50 p.m.

There being no further business to come before the Commission, the meeting adjourned.

ROBERT SEACH, Chairman
DEBT MANAGEMENT COMMISSION
ATTEST: JUDI BAILEY, County Clerk

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JULY 26, 1996 DMC PAGE 329

DEBT MANAGEMENT COMMISSION
WASHOE COUNTY, NEVADA

September 19, 1996

4:00 p.m.

Present:

Robert Seach, Member at Large, Chairman
Arthur Johnson, General Improvement District Representative, Commissioner
John Mayer, City of Sparks, Commissioner
Grant Sims, County of Washoe, Commissioner
Margie Broderick, Washoe County School District, Commissioner
Jim Pilzner, City of Reno, Commissioner

Betty Lewis, Chief Deputy County Clerk
Jim Barnes, Deputy District Attorney

Absent:

Richard Pugh, Member at Large, Vice Chairman

The Debt Management Commission of Washoe County convened in the Chambers of the Washoe County Administration Complex at 1001 East Ninth Street, Reno, Nevada. The Deputy Clerk called the roll and the meeting was called to order by Chairman Seach.

MINUTES

On motion by COMMISSIONER BRESLOW, seconded by COMMISSIONER JOHN-SON, which motion duly carried, CHAIRMAN SEACH ordered that the minutes of the meetings held on June 12, 1996, and July 10, 1996, be approved.

96-17DMC
SEWER BOND RESOLUTION

Jennifer Stern, Bond Counsel, advised that the purpose of this item is to seek approval of 1.6 Million Dollars in bonds obtainable out of pledged revenues which will be repaid eventually by tax revenues.

John Collins, Washoe County Chief Sanitary Engineer, advised that this will provide a sewer to serve the Lemmon Valley area currently on septic systems; that this bond will only be paid by the residents in the Valley; that this is more economical than an assessment district; and that the interest rate on the bonds will be below 4 percent.

Scott Nash, Howarth Montague and Associates, Financial Consultants, gave a page-by-page walk through of the financial information provided to each member of the Commission and for the record. He confirmed that this will not affect the tax rate and there will be no impact on any other government's ability to issue bonds and raise property taxes as

all of the revenues from the County Utility fund are being pledged to make the debt payments.

On motion by COMMISSIONER JOHNSON, seconded by COMMISSIONER PILZNER, which motion carried unanimously, it was ordered that the following Resolution in support of the issuance of \$1,600,000 in sewer bonds be adopted:

A RESOLUTION CONCERNING THE SUBMISSION TO THE WASHOE COUNTY DEBT MANAGEMENT COMMISSION OF A PROPOSAL TO ISSUE GENERAL OBLIGATIONS; (ADDITIONALLY SECURED BY PLEDGED REVENUES); CONCERNING ACTION TAKEN THEREON BY THE COMMISSION; AND APPROVING CERTAIN DETAILS IN CONNECTION THEREWITH.

WHEREAS, pursuant to Subsections 350.001 through 350.006, Nevada Revised Statutes ("NRS"), Washoe County, Nevada (the "County"), notified the secretary of the Debt Management Commission of Washoe County (the "Secretary" and the "Commission," respectively) of the County's proposal to issue general obligations and submitted a statement of the County's proposal in sufficient number of copies for each member of the Commission; and

WHEREAS, the Board of County Commissioners of the County (the "Board") proposes (subject to the approval of the proposal to issue general obligations by the Commission) to issue the bonds described in the following proposal:

GENERAL OBLIGATION SEWER BOND (ADDITIONALLY SECURED BY PLEDGED REVENUES) PROPOSAL:

Shall the Board of County Commissioners of Washoe County in the State of Nevada, be authorized to incur a general obligation indebtedness on behalf of the County by the issuance at one time, or from time to time, of the County's general obligation (limited tax) sewer bonds (additionally secured by pledged revenues), in one series or more, in the aggregate principal amount of not exceeding \$1,600,000 for the purpose of financing, wholly or in part, the acquisition, improvement and equipment of sewerage projects, including real property, facilities and equipment for sewerage projects as defined in NRS 244A.0505, the bonds to mature serially commencing not later than five (5) years from the date or respective dates of the bonds and ending not later than thirty (30) years therefrom, to bear interest at a rate or rates not in excess of the statutory maximum rate in effect at the time bonds are sold, to be payable from general (ad valorem) taxes (except to the extent pledged revenues and other moneys are available therefor), and to be issued and sold at par, or below or above par, and otherwise in such manner, upon such terms and conditions, and with such other detail as the Board may determine, including at its option, but not necessarily limited to, provisions for the redemption of bonds prior to maturity without or with the payment of a premium?

(the "Proposal"); and

WHEREAS, pursuant to NRS • 350.005, the Secretary, with the approval of the Chairman of the Commission, thereupon, within ten days from the receipt of the Proposal, gave notice of a meeting to be held not more than twenty days thereafter, and provided a copy of the Proposal to each member of the Commission with the notice of the meeting and mailed notice of the meeting to the chief financial officer of each municipality in Washoe County, Nevada, which has complied with subsection 1 of NRS 350.0035 within the past year; and

WHEREAS, the Commission has heard anyone desiring to be heard and taken other evidence relevant to its approving or disapproving the Proposal; and

WHEREAS, the Commission has considered all matters in the premises.

NOW, THEREFORE, BE IT RESOLVED BY THE DEBT MANAGEMENT COMMISSION OF WASHOE COUNTY, NEVADA:

Section 1. This resolution shall be known as the "1996 Sewer Bond DMC Approval Resolution."

Section 2. The provisions of •• NRS 350.0035 to 350.0051 have been met, and therefore the Proposal for the issuance of general obligation (limited tax) sewer bonds additionally secured with pledged revenues in the aggregate principal amount of \$1,600,000 proposed by the County is approved.

Section 3. The Commission and the officers thereof hereby are authorized and directed to take all action necessary or appropriate to effectuate the provisions of this resolution.

Section 4. All bylaws, orders, resolutions or parts thereof in conflict with this resolution are hereby repealed. This repealer shall not be construed to revive any bylaw, order, resolution, or part thereof heretofore repealed.

Section 5. If any section, paragraph, clause, or provision of this resolution shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of the section, paragraph, clause, or provision, shall not affect any of the remaining provisions of this resolution.

Section 6. This resolution shall become effective and be in force immediately upon its adoption.

96-18DMC

MEMBER ABSENCES - POLICY DISCUSSION

CHAIRMAN SEACH advised that he has discussed this with legal counsel who informed him that this Commission has the authority to establish policy on multiple absences by a member. COMMISSIONER JOHNSON stated that excused absences should not be included. COMMISSIONER BRODERICK advised that each member should have an alternate designated formally. COMMISSIONER BRESLOW stated that it is important that each entity have representation at each meeting and that he has an alternate in COMMISSIONER ARMSTRONG. COMMISSIONER PILZNER advised that his alternate is PIERRE HASCHEFF. COMMISSIONER JOHNSON advised that being a representative of the general improvement districts is somewhat unique as every two years the combined membership of all elects their representative. It was suggested that perhaps the runner-up could serve as the alternate. The need for a quorum being present was stressed as the law provides that a two-thirds majority vote (five votes) is required to pass a bond issue, and further noted was that, if one member is absent, that poses the possibility of a tie vote on an issue and the question not being resolved in that event. In deliberation, the Board decided that after three unexcused absences, a request would be made to the appointing entity that the member be replaced by a successor.

Following discussion, on motion by COMMISSIONER JOHNSON, seconded by COMMISSIONER PILZNER, which motion duly carried, CHAIRMAN SEACH ordered that the concept of a member being replaced by its representative governmental agency after three unexcused absences be approved and that the District Attorney's office formalize this policy and present it to the Board for formal approval.

96-19DMC

TIMELY AGENDA MATERIAL SUBMITTAL

The point of this item was to allow enough time for the Commission members to review all materials prior to the meeting time and date, as in occasional previous times, some of the material was not provided until the meeting was to convene. Ms. Stern explained the time constraints involved in that there is not a lot of time to prepare in some instances when an entity has a bond proposal pending; that it may be possible to give an advanced

notice of a required special meeting and then the Clerk could schedule a meeting far enough in advance so that the material could be provided in a timely manner, and that the entities could be put on notice when a quarterly meeting would be scheduled and perhaps they could coordinate any approaching proposal with that scheduled quarterly meeting.

Following discussion, on motion by COMMISSIONER BRESLOW, seconded by COMMISSIONER JOHNSON, which motion duly carried, CHAIRMAN SEACH ordered that 7 days lead time be given members of the Commission on a pending meeting and that all materials be submitted to the Board to allow sufficient time for review before the scheduled meeting.

MEMBER COMMENTS

Some discussion took place concerning whether this meeting could actually be considered a quarterly meeting as well as a special meeting since the next quarter following our last quarterly meeting takes place after October 1.

The Board then decided that perhaps a meeting must be held during the next quarter and this was to be verified by Legal Counsel Jim Barnes after his consulting the statutes to see if there is any specific section which refers to this.

The Clerk was directed to contact the Chairman in order to set a time appropriate to hold the quarterly meeting on a date within the next quarter and to notify all members when that will take place, if this is deemed a necessity by legal counsel.

* * * * *

4:40 P.M.

There being no PUBLIC COMMENTS, the meeting adjourned.

ROBERT SEACH, Chairman
Debt Management Commission

ATTEST: JUDI BAILEY, County Clerk

Intentionally unnumbered page
for consistency in odd and
even page numbers.

PAGE 338 DMC SEPTEMBER 19, 1996

SEPTEMBER 19, 1996 DMC PAGE 333

DEBT MANAGEMENT COMMISSION
WASHOE COUNTY, NEVADA

December 11, 1996

Present:

Robert Seach, Member at Large, Chairman
Bruce Breslow, Mayor, City of Sparks, Commissioner
Arthur Johnson, General Improvement District Representative, Commissioner

Betty Lewis, Chief Deputy Washoe County Clerk
Jim Barnes, Deputy District Attorney

Absent:

Grant Sims, County of Washoe, Commissioner
Richard Pugh, Member at Large, Vice Chairman
Margie Broderick, Washoe County School District, Commissioner
David Aiazzi, City of Reno, Commissioner Appointee

2:00 P.M. - MEETING COMMENCEMENT

The Board met in special session in the Chambers of the Washoe County Administrative Complex, 1001 East Ninth Street, Reno, Nevada, in full conformity with the law, with Chairman Seach presiding. The Clerk called the roll, and the meeting commenced for the purpose of conducting the following business.

It being determined through roll call that three of the Commissioners and the Commissioner Appointee from the City of Reno were absent, the nonpresence of a quorum was declared.

Following some deliberation, it was determined that this is legally the Quarterly Meeting required. Members of the Board present then decided that the matters scheduled on today's agenda will be set on the agenda of January 31, 1997, at 4:00 p.m.

2:15 P.M. - ADJOURNMENT

The meeting of December 11, 1996, adjourned.

BOB SEACH, Chairman
Debt Management Commission

ATTEST: JUDI BAILEY, County Clerk

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CONSISTENCY IN ODD/EVEN NUMBERING

PAGE 340 DECEMBER 11, 1996

DECEMBER 11, 1996 PAGE 339